



Evergreen Solar Inks Financing and Marketing Deals; Prepares for Full-Scale Production

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WALTHAM, Mass.--(BUSINESS WIRE)--Feb. 8, 2000--Evergreen Solar, Inc., manufacturer of photovoltaic (solar electric) panels, today announced it has closed on \$18 million in financing and plans to relocate this summer to a 10-megawatt facility to ramp up production. In a related deal, Evergreen has also signed a joint marketing agreement with Japanese partner Kawasaki Heavy Industries, Inc.

"Evergreen has introduced a new commercial technology to the market faster than any solar company in history," said Evergreen President and Co-founder Mark Farber, referring to a proprietary process that uses half the industry norm of silicon. "After three years of R&D and two years of pilot production, we're poised to ramp up to full-scale production. Our customers, marketing partners, and investors are positive about our products, technology, and company," Farber emphasized.

The \$18.4 million financing represents Evergreen's fourth round of private equity financing. This financing was led by prior investors Arete Corporation, Zero Stage Capital, Nth Power Technologies, Rockefeller and Co., and Swiss Reinsurance, and includes new investors Kawasaki Heavy Industries and Swiss-based SAM Private Equity. The investment proceeds will be used for expanding manufacturing and marketing as well as continued R&D for second-generation technology.

Evergreen and Kawasaki Heavy Industries have agreed to collaborate on marketing solar systems in Japan, currently the largest solar market in the world. Kawasaki, a \$12-billion engineering and equipment company, produces ships, aircraft, steel structures, and industrial and energy equipment, as well as motorcycles and jet skis for consumer markets. Kawasaki's solar venture represents an expansion of its

conventional energy business into new energy technologies, part of a broader push into new business areas that build on its infrastructure and engineering expertise.

"Kawasaki's engineering, systems, and marketing capabilities are a perfect match for Evergreen's product manufacturing skills. To date, the Japanese solar market has been dominated by Japanese manufacturers, and we believe that a strong and committed local partner is essential to penetrate the market," says Farber.

Kawasaki will be Evergreen's exclusive marketing partner for residential and commercial markets in Japan. The team will also selectively address other Asian markets where Kawasaki has a strong presence. With the increasing environmental sensitivity and the difficulty of siting new nuclear power plants in Japan, Kawasaki expects rapid continued growth in the Japanese solar market. The marketing agreement was accompanied by a \$5 million investment.

With these strategic moves, Evergreen Solar is positioned to become a major player in the international distributed power business, particularly where high reliability, fuel independence, or environmental sensitivity is important. Robert Shaw, lead investor and Evergreen Solar Chairman, notes the exciting changes in the energy sector. "In the electric business," says Shaw, "the combination of supplier competition, consumer choice, and new technology is creating hot investment opportunities in this traditionally static industry."

Evergreen Solar manufactures solar electric panels for dispersed power applications around the world. These applications include wireless power for remote homes, water pumping, lighting, and rural electrification, as well as complete power systems for electric utility customers choosing to generate their own environmentally benign green power.